

Central Falls Detention Facility Corporation Meeting Minutes
Tuesday, October 23, 2012
Wyatt Detention Facility Training Building
935 High Street
Central Falls, RI 02863
6:00 P.M.
TDD/TTY 401-727-7450

A meeting of the Central Falls Detention Facility Corporation was held on the above date in the Training Building at 6:00p.m.

- 1) Call to order / Roll Call – 6:10 p.m.

Members present: Director Tillinghast, Director St. Pierre, and Chairman Hartford

Absent: Director Adamo and Director Romanowicz

- 2) Public Comment
No Public Comment

- 3) Approval of minutes, 8/30/12
Motion made by Director St. Pierre to approve the minutes of August 30, 2012, seconded by Director Tillinghast. All were in favor. Motion passed.

- 4) New Business –

- A) Report of Finance Committee

Director St. Pierre said that he and Director Tillinghast had the opportunity to meet with Mr. Fair and many of the department heads at the facility. He was very pleased with the meeting and learned a lot of information. Director Tillinghast added that they'd asked the management team to come up with written assumptions for major financial statement caption items down to the drivers. For example, meals and service, we have a contract with a rate and a plan for the number of detainees so it's easy to extrapolate the information. We also put some analytics behind the ADP number, recognizing that we don't know what it's going to be, but looking at some seasonality and three-year historical information and using that to come up with an average to use as a baseline. The most useful information for that meeting was the sub-committee getting a detailed understanding of how the facility staff's its pods and housing units.

Director Tillinghast asked the Warden to arrange time with Michael Geezil and the payroll staff to do some analysis of specific time periods, like on a day-by-day basis. He said that he and the finance sub-committee feel good about the progress made within the last 12 – 15 months. He hopes to have a recommendation for an approved budget ready for the next board meeting in November. It will be based on current realities, with respect to legal, that's a substantial expense now, with realistic numbers around the ADP number, and with respect to staffing models and the contracts around the labor rates. The finance sub-committee was really excited to have the respective department heads at the meeting to add perspective to what the drivers to the numbers were.

In regards to the financials, Director Tillinghast commented that nothing looked out-of-the-ordinary with respect to the trends.

Michael Geezil added that, for the month of September, we didn't quite make debt coverage. We were about \$55K short of making the debt coverage, but legal expenses were about \$55K, so operationally, we probably broke even.

Director Tillinghast pointed out that we had an ADP of 650 in August and an ADP of 620 in September. Running the model, other than the legal expenses that tend to move in big chunks, and the consulting expenses, this is a very simple business to model. The changes in the revenues and the changes in the cash flow are exactly what he'd expect them to be based on the ADP. For October, it looks as if we're down a little, so barring any major swings, our October numbers will likely be similar to September.

Chairman Hartford asked if we had a sense of where we are in regards to legal expenses. Director Tillinghast said that he'd just received the information tonight. He had a chance to look at the three year historical information as well as the preliminary projections, but he had no comment at this point. Some of this is not for public consumption due to litigation issues, but the committee will dig deeply into this and set up real expectations for next year. Chairman Hartford asked if we had a year-to-date on the Bondholders legal expenses. He was provided with the information and stated that the Trustee expenses totaled \$257K and we'd spent \$325K internally on our own counsel. Brief discussion ensued regarding payments made to specific firms related to the Bondholders' expenses.

B) Current Cash Report and overview of accounts update

Director Tillinghast commented that the cash flowing from account to account is really consistent now due to the methodology. It's not a concern, as it was twelve months ago.

Michael Geezil questioned whether we'd transferred full payment to the debt service fund. Director Tillinghast said that the debt service fund appeared to be fully-funded.

Director Tillinghast asked if there were any new business opportunities in the pipe. Warden Murphy commented that they were always in communication with the Marshals and they were working on new business.

C) 2013 Pre-budget Preparation

No discussion.

D) Authorization of miscellaneous payments and purchases

No discussion.

5) Old Business

No discussion.

6) Reports of the CEO and/or Legal Counsel (as necessary); ADP update; and other matters.

Warden Murphy provided the following:

The detainee count is currently at 617, with an expected end of day of 620. The ADP for September is at 620. October right now is at 615. Year to date ADP is at 623. Suicide watches continue to be an expense. Right now we are \$31K over last year to date.

FTE is at 161.

Purchases and contracts:

- We have a new food services provider. We are currently working through the bugs, as with any new vendor, but all is going well.
- O'Connor and Drew will perform the financial audit this year. We have exercised that option with them.
- We've exercised option years with Global Tel, the detainee phone system, and Keefe Commissary, who provides commissary to the detainees. Both services will go out-to-bid in 2013.
- RFP for vending services will be posted in November. These vending machines are for staff and visitors.
- Two major capital projects are underway and will be discussed further in Executive Session.

Staff participated in the Making Strides for Breast Cancer Walk raising about \$600 for the cause.

Class 33 is on track to begin on November 13th. He sought authorization to start the Academy.

Motion made by Director Tillinghast to authorize the Warden to proceed with the Academy, Class 33, on or about November 13th; seconded by Director St. Pierre. All were in favor. Motion passed.

Oregon is no longer interested in purchasing the FATS system. We will explore other options.

Lastly, Warden Murphy said that it was a great sub-committee meeting on October 17th. He looks forward to the next meeting to be held on November 8th.

7) Next meeting:

Tuesday, November 20, 2012 @ 6:00pm @ Wyatt Training Building

8) Executive Session pursuant to RIGL § 42-46-5 for the following purposes:

- A. RIGL § 42-46-5(a)(2) and RIGL § 42-46-5(a)(4) for the purpose of reviewing issues regarding FOP representation of supervisory staff and litigation concerning the Wayne Salisbury matter; Ng; Cornell; Avcorr; Property tax bill; Forensic Audit.
- B. RIGL § 42-46-5(a)(3) for the purpose of receiving an operational report from the CEO.
- C. RIGL § 42-46-5(a)(1) Personnel

9) Adjournment